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DEPARTMENT OF PUBLIC SOCIAL SERVICES
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BOARD OF SUPERVISORS
COUNTY OF LOS ANGELES

August 14, 2012

13 August 14, 2012

The Honorable Board of Supervisors
County of Los Angeles
383 Kenneth Hahn Hall of Administration
500 West Temple Street
Los Angeles, California 90012

Sachi A. Hamai
SACHI A. HAMAI
EXECUTIVE OFFICER

Dear Supervisors:

**RECOMMENDATION TO EXTEND THE GENERAL RELIEF PHYSICAL HEALTH DISABILITY
ASSESSMENT SERVICES AND COMPREHENSIVE PHYSICAL HEALTH DISABILITY
EVALUATION SERVICES CONTRACTS
(ALL DISTRICTS – 3 VOTES)**

SUBJECT

The Department of Public Social Services (DPSS) seeks to add funding and extend the 14 contracts with seven Federally Qualified Health Centers (FQHC) and two FQHC Look-Alike agencies (Attachment I) for the provision of General Relief (GR) physical health disability assessment and comprehensive physical health disability evaluation services.

IT IS RECOMMENDED THAT YOUR BOARD:

1. Delegate authority to the Director of DPSS, or her designee, to prepare and sign amendments, in substantially similar form to the amendment in Attachment II, to A) increase the total maximum contract amount, inclusive of all 14 contracts, by an estimated \$1.3 million, effective September 1, 2012, to cover the cost of disability assessments through November 30, 2012 and B) extend the contracts for 14-months effective December 1, 2012 through January 31, 2014 for a total estimated cost of \$13.4 million, or \$11.5 million on an annual basis. The total maximum obligation for each contractor shall not exceed the amount set forth in Attachment I.
2. Delegate authority to the Director of DPSS, or her designee, to prepare and sign subsequent amendments to add any relevant updated terms and conditions and to increase or decrease the maximum contract amount, provided that the aggregate increase or decrease on all 14 contracts does not exceed ten percent of the \$31.6 million allotment for the entire contract term of 33 months, which includes the 14-month extension identified in Paragraph 1, and also provided that (a) sufficient funding is available, and that (b) prior approval of County Counsel as to form is obtained, and (c) the

Director, or her designee, notifies the Board and the Chief Executive Office in writing within ten business days after execution of the amendment.

3. Delegate authority to the Director of DPSS or her designee to negotiate and execute an amendment to the General Relief Physical Health Disability Assessment Services and Comprehensive Physical Health Disability Evaluation Services Contract with St. John's Well Child & Family Center, for an amount not to exceed an additional \$33,333 per month to implement a pilot project for enhanced Supplemental Security Income (SSI) evaluation and SSI advocacy services in the South Special GR District, provided that (a) prior approval of County Counsel as to form is obtained, and (b) the Director, or her designee, notifies the Board in writing within ten business days after execution of the amendment. This pilot will not extend the current term of the contract.

PURPOSE/JUSTIFICATION OF RECOMMENDED ACTION

On February 9, 2010, the Board approved a comprehensive plan to restructure the GR Program, which includes providing disability assessments to GR participants who declare an inability to work due to a physical injury to determine whether they are employable, temporarily unemployable or permanently disabled. The plan also includes providing comprehensive physical health disability evaluations to produce medical documentation that assists GR participants with approval of their SSI applications. The current contract term is for 19 months, effective May 13, 2011 through November 30, 2012 for all 14 GR District offices, countywide.

Adding \$1.3 million will allow DPSS to provide physical health disability assessments from September 2012 through November 30, 2012. The current estimated amount of \$3 million budgeted for this period is not sufficient to cover the cost as the volume of applicants/participants has proven to be higher than anticipated.

The 14-month contract extension, effective December 1, 2012 through January 31, 2014, will allow for the uninterrupted continuation of GR disability assessments and comprehensive evaluations while a competitive contract solicitation process for future services is completed. The extension will allow for the evaluation of data regarding disability assessments and evaluations to be completed and incorporated into the competitive contract solicitation. In addition, the extension will allow the Department to consider, evaluate and incorporate elements of the federal Health Care Reform, scheduled for implementation effective January 1, 2014, into the new contracts, as generally described below.

Health Care Reform will allow the contractors and other eligible health providers to offer primary ongoing health care to GR participants at no cost, since GR participants will be eligible to full-scope Medi-Cal benefits. Continued health care services (e.g., medication and therapy) will help employable GR participants remain employable, and permanently disabled participants will have documentation more readily available to assist them with the approval of their SSI applications.

Approval of the third recommendation will allow the Director or her designee to implement South Special District SSI Advocacy Pilot that was approved in concept by the Board as part of the February 9, 2010 GR Restructuring Plan.

On June 15, 2010, the Board approved the implementation plan for the South Special District SSI Advocacy Pilot. The County was to work together with a community based organization(s) and medical/mental health provider to provide case management, advocacy services, and medical/mental health evaluations for GR participants who have been assessed by health/mental

health professionals as being potentially eligible for SSI based on their physical and/or mental health disabilities. St. John's Well Child & Family Center (St. John) is both a community based organization with SSI advocacy experience and a medical/mental health provider serving the South Special GR District office community.

These services shall include St. John providing mental health evaluation services in addition to the physical health evaluations it currently provides under the contract. Further, St. John will work closely with DPSS GR SSI Advocates in the South Special District office to identify best practices and ways to enhance existing GR SSI advocacy services to 56 newly referred participants each month to obtain a higher number of SSI approvals in a shorter length of time. St. John will be required to utilize different innovative strategies to demonstrate new approaches in assisting GR participants to achieve SSI approvals. The cases not supported by St. John's services will continue to receive standard GR SSI advocacy services from DPSS GR SSI Advocates and mental health evaluations through Department of Mental Health.

St. John will enlist a team that includes: outreach workers, a licensed psychiatrist and physician, a program manager, and a driver. Working together, this team will provide enhanced health, mental health, and case management services to disabled GR participants so they can successfully apply and obtain approval for SSI benefits. St. John's mental health comprehensive evaluations are more in depth, detailed evaluations of a participant's mental ability to work than the mental health assessment currently being administered by the County's Department of Mental Health Clinicians. The current contract with St. John already calls for administering physical health comprehensive evaluations. The mental health and physical health comprehensive evaluations will provide the documentation necessary for GR participants' SSI applications.

St. John takes the approach that its outreach workers will begin a relationship with the GR participants and will sustain that relationship throughout the enrollment process up to the point of approval. Outreach workers will go to the streets and transitional housing agencies, as needed, to locate homeless GR participants and focus on ensuring continued engagement of the caseload throughout the application process, obtain necessary signatures/medical releases, and ensure follow-through for DPSS, clinic and legal appointments. According to St. John, outreach and community engagement is their strength when it comes to SSI Advocacy. They have a pulse on the communities South Special serves. Being a medical provider, they are part of a network of medical organizations giving them better insight and contacts that prove helpful when trying to obtain medical/mental health evidence for SSI applications. In addition, St. John's ongoing medical and mental health services will provide valuable information that will help DPSS GR SSI Advocates draft better arguments on behalf of their participants.

Implementation of Strategic Plan Goals

The recommended actions are consistent with the principles of the Countywide Strategic Plan Goal #1 - Operational Effectiveness: Maximize the effectiveness of the processes, structure and operations to support timely delivery of customer-oriented and efficient public services.

FISCAL IMPACT/FINANCING

Physical health disability assessments and comprehensive physical health disability evaluations are 50 percent funded by net County cost (NCC) and 50 percent federally-funded by the County Services Block Grant-Health Related (CSBG-HR). On April 12, 2011, the Board delegated authority to the DPSS Director to increase the total estimated maximum contract amount of \$13.5 million, inclusive of all 14 contracts, by up to 25 percent (\$3.4 million). Amendments were executed in April

2012 that added \$3.4 million to cover the cost of all assessments for Fiscal Year (FY) 2011-12. This increased the total amount, inclusive of all 14 contracts, from an estimated \$13.5 million to an estimated \$16.9 million.

The additional estimated amount of \$1.3 million to cover the cost of assessments through November 30, 2012 will bring the total amount, inclusive of all 14 contracts, from an estimated \$16.9 million to an estimated \$18.2 million for the period of May 13, 2011 through November 30, 2012.

For the 14-month extension effective December 1, 2012 through January 31, 2014, the funding for physical health disability assessments is estimated at \$10.2 million annually, or \$846,000 monthly, for an estimated 14-month total of \$11.8 million. The funding for comprehensive physical health disability evaluations is estimated at \$1.3 million annually, or \$111,000 monthly, for an estimated 14-month total of \$1.6 million. Together, the funding for both disability assessments and comprehensive evaluations is estimated at \$11.5 million annually, or \$957,000 monthly, for an estimated 14-month total of \$13.4 million. The firm-fixed rates of \$90 per assessment and \$300 per comprehensive evaluation currently paid to the contractors will remain unchanged for the 14-month extension.

Comprehensively, the funding for the entire 33-month term effective May 13, 2011 through January 31, 2014 for all 14 contracts is estimated at \$31.6 million. Funding for FY 2012-13 is included in the Department's FY 2012-13 Budget. Funding for future years will be included in the Department's annual budget request.

In addition to what is described above, for the South Special SSI Advocacy Pilot, St. John will receive a monthly flat fee of \$33,333, for an annual maximum contract amount of \$400,000, to serve 56 new referrals per month, funded with 50 percent NCC through the GR Anti-homelessness Services account, which was approved by the Board as part of the GR Restructuring Plan. The GR Anti-homelessness Services account is funded by the Interim Assistance Reimbursement of the GR grant and housing costs for GR participants receiving a housing subsidy who are approved for SSI; and prospective GR grant savings for homeless GR participants who receive a housing subsidy and then exit GR with employment or SSI benefits. The remaining 50 percent of the cost of the South Special District SSI Advocacy Pilot will be federally-funded through the CSBG-HR.

FACTS AND PROVISIONS/LEGAL REQUIREMENTS

A FQHC is a Federally Qualified Health Center provider defined by Medicare and Medicaid statutes. FQHCs include all organizations receiving grants under Section 330 of the Public Health Service Act, certain tribal organizations, and agencies that are identified as FQHC Look-Alikes. The primary difference between the FQHCs and FQHC Look-Alikes is that the "Look-Alikes" do not receive grant funding pursuant to Section 330 of the Public Health Service Act. However, they are subject to the same eligibility requirements as a FQHC. In all cases, FQHCs and FQHC Look-Alikes are non-profit or public agencies that must provide care to underserved populations.

The California Department of Social Services' (CDSS) regulations govern CSBG-HR requirements and administration. On May 13, 2011, CDSS approved the current contracts as sole source contracts for 19 months effective May 13, 2011 through November 30, 2012 based on the following:

1. The FQHC and FQHC Look-Alike agencies meet federal eligibility requirements to provide services to medically underserved populations;
2. The overlap in the underserved populations served by FQHC and FQHC Look-Alike agencies and those receiving GR;

3. The significant increase in the demand for GR throughout Los Angeles County;
4. The immediate financial need to move GR participants to work or to State or federal disability programs;
5. The unfamiliarity with the requirements of physical disability determinations and process at the County level; and
6. The need for information to develop a thorough solicitation to yield providers with the ability to successfully implement the assessment and evaluation services of the physical conditions of GR participants with limitations, which may prevent them from working.

County Counsel has reviewed this Board letter and has approved the amendment as to form.

CONTRACTING PROCESS

As referenced above, the current contract term is for 19 months effective May 13, 2011 through November 30, 2012 for all 14 GR District offices, countywide. DPSS has received approval from CDSS to extend the contracts, as is required for CSBG-HR funded agreements. Based on the approval by CDSS, DPSS is prepared to extend the agreements for the additional 14-months of services to all 14 GR District offices, as described herein, to continue the provision of services. As noted above, the firm-fixed rates of \$90 per assessment and \$300 per evaluation will remain unchanged for the 14-month extension.

St. John currently provides the GR Health Assessment services for the South Special District. St. John was the only FQHC/FQHC Look-Alike agency in that area that responded to the County's February 10, 2011, Request for Information (RFI), which sought interest from FQHC/FQHC Look-Alike agencies to provide physical health disability assessments and comprehensive physical health disability evaluations. St. John has experience using community outreach workers for medical conditions in their community. Further, St. John has the expertise and the resources to offer the pilot plan's additional mental health evaluation component. Therefore, St. John is able to offer an integrative approach to GR SSI Advocacy for the South Special GR District.

The implementation plan for the South Special District SSI Advocacy Pilot approved by the Board on June 15, 2010, indicated that if the County chose to partner with a medical/mental health provider to provide both case management and medical/mental health evaluations, the County will either utilize a market survey process or seek to use an existing County contractor.

On September 2, 2011, CDSS approved the Department's request to contract by negotiation with St. John's to provide SSI advocacy services under the proposed South Special District SSI Advocacy Pilot. CDSS' approval was based on the result of the RFI, released on February 10, 2011 and referenced hereinabove, where St. John's was the only interested and qualified agency to respond. Further, CDSS agreed that the County may procure SSI Advocacy services with St. John pursuant to MPP Section 23.650.1.18, where unique circumstances necessitate procurement by negotiation.

IMPACT ON CURRENT SERVICES (OR PROJECTS)

The recommended action will not infringe on the role of the County in relationship to its residents and

The Honorable Board of Supervisors

8/14/2012

Page 6

the County's ability to respond to an emergency will not be impaired. There is no change in risk exposure to the County.

CONCLUSION

The Executive Officer, Board of Supervisors, is requested to return one adopted, stamped Board letter to the Director of DPSS.

Respectfully submitted,

A handwritten signature in cursive script, reading "Sheryl L. Spiller".

SHERYL L. SPILLER

Director

SLS:ksj

Enclosures

c: Chief Executive Officer
County Counsel
Executive Officer, Board of Supervisors
Deputy Chief Executive Officer

**GENERAL RELIEF PHYSICAL HEALTH DISABILITY ASSESSMENT SERVICES AND COMPREHENSIVE PHYSICAL
HEALTH DISABILITY EVALUATION SERVICES: ESTIMATED CONTRACT COSTS**

GR DPSS DISTRICT OFFICE	AGENCY	SUP. DISTRICT SERVED	MONTHLY PROJECTED APPOINTMENTS %	ADDITIONAL COST FOR DISABILITY ASSESSMENTS 9/12 - 11/12	DECEMBER 2012 – JANUARY 2014		
					MONTHLY COST	ANNUAL COST	CONTRACT EXT COST
Glendale	All for Health, Health for All	5	4.17%	\$54,210	\$39,909	\$478,908	\$558,726
Pasadena	Community Health Alliance of Pasadena	5	2.89%	\$37,570	\$27,661	\$331,929	\$387,250
South Special	St. John's Well Child & Family Center	2, 4	15.40%	\$200,200	\$147,388	\$1,768,654	\$2,063,429
Southwest Special	Mission City Community Network, Inc.	2,4	19.38%	\$251,940	\$185,460	\$2,225,515	\$2,596,434
Wilshire Special	Korean Health, Education, Information & Resource Center	1	4.72%	\$61,360	\$45,217	\$542,599	\$633,033
Civic Center	JWCH Institute, Inc.	1	3.15%	\$40,950	\$30,110	\$361,325	\$421,545
Metro East	Los Angeles Christian Health Center	1	4.80%	\$62,400	\$45,931	\$551,173	\$643,035
San Gabriel Valley	Mission City Community Network, Inc.	1	3.80%	\$49,400	\$36,337	\$436,039	\$508,712
South Central	St. John's Well Child & Family Center	2	3.69%	\$47,970	\$35,316	\$423,791	\$494,423
San Fernando	Mission City Community Network, Inc.	3	5.58%	\$72,540	\$53,382	\$640,586	\$747,350
Pomona	Mission City Community Network, Inc.	1	3.09%	\$40,170	\$29,600	\$355,201	\$414,401
Rancho Park	Korean Health, Education, Information & Resource Center	3	5.72%	\$74,360	\$54,709	\$656,509	\$765,927
Lancaster	Antelope Valley Community Center	5	5.56%	\$72,280	\$53,178	\$638,136	\$744,492
Metro Special	Central Neighborhood Health Foundation	1,2	18.06%	\$234,780	\$172,803	\$2,073,636	\$2,419,242
	Totals:		100%	\$1,300,130	\$957,000	\$11,484,000	\$13,398,000

AMENDMENT NUMBER TWO

GENERAL RELIEF PHYSICAL HEALTH DISABILITY ASSESSMENT SERVICES AND COMPREHENSIVE PHYSICAL HEALTH DISABILITY EVALUATION SERVICES [CONTRACT #]

Reference is made to the document entitled "General Relief Physical Health Disability Assessment Services and Comprehensive Physical Health Disability Evaluation Services Contract By and Between County of Los Angeles and [Contractor] for the XXXX DPSS General Relief District Office" dated, May 13, 2011, and as amended by Amendment Number One dated, April 2, 2012, and further identified as County [Contract #], (hereinafter referred to as the "Contract").

WHEREAS, County of Los Angeles ("County") and ("Contractor") intend to amend this Contract in order to extend the term and modify certain terms and conditions; and,

WHEREAS, Contract provides that further changes to its terms may be made in the form of a written amendment which is formally approved and executed by the parties.

NOW, THEREFORE, THE PARTIES AGREE AS FOLLOWS:

I. This Amendment shall commence and be effective upon execution through January 31, 2014.

II. **SECTION 4.0, TERM OF CONTRACT**, Section 4.1 is deleted in its entirety and replaced as follows:

4.1 The Contract shall take effect May 13, 2011 through January 31, 2014, unless sooner terminated or extended, in whole or part, as provided in this Contract.

III. **SECTION 5.0, CONTRACT SUM**, Section 5.1, is deleted in its entirety and replaced as follows:

5.1 Maximum Contract Sum, which shall be the total amount payable to the Contractor for services adequately rendered during the contract term, shall not exceed \$XXXXXX, as further specified below:

A. Maximum payment amount payable for Assessments

- i. From May 13, 2011 through June 30, 2011 is \$XXXXXX;
- ii. From July 1, 2011 through June 30, 2012 is \$XXXXXX;
- iii. From July 1, 2012 through August 31, 2012 is \$XXXXXX;
- iv. From September 1, 2012 through November 30, 2012 is \$XXXXXX;
- v. From December 1, 2012 through June 30, 2013 is \$XXXXXX; and
- vi. From July 1, 2013 through January 31, 2014 is \$XXXXXX.

B. Maximum payment amount payable for Evaluations

- i. From May 13, 2011 through June 30, 2011 is \$XXXXXX;
- ii. From July 1, 2011 through June 30, 2012 is \$XXXXXX;
- iii. From July 1, 2012 through August 31, 2012 is \$XXXXXX;
- iv. From September 1, 2012 through November 30, 2012 is \$XXXXXX;
- v. From December 1, 2012 through June 30, 2013 is \$XXXXXX; and
- vi. From July 1, 2013 through January 31, 2014 is \$XXXXXX.

IV. Attachment B, FIRM-FIXED FEE PROVIDER BUDGET, is deleted in its entirety and replaced with Attachment B-1, FIRM-FIXED FEE PROVIDER BUDGET to include the Contract periods: May 13, 2011 through June 30, 2011; July 1, 2011 through June 30, 2012; July 1, 2012 through August 31, 2012; September 1, 2012 through November 30, 2012; and December 1, 2012 through January 31, 2014, indicating the maximum payment amount payable for Assessments and Evaluations for each contract period referenced.

V. All other terms and conditions remain in full force and effect.

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IN WITNESS WHEREOF, the Board of Supervisors of the County of Los Angeles has caused this Amendment Number Two to be subscribed on its behalf on the ____ day of _____, 2012 by the Director of the Department of Public Social Services and the Contractor has subscribed the same through its authorized officer. The person(s) signing on behalf of Contractor warrants under penalty of perjury that he or she is authorized to bind Contractor and that he or she holds the stated position noted below.

COUNTY OF LOS ANGELES

By _____
Sheryl L. Spiller, Director
Department of Public Social Services

CONTRACTOR

By _____
Name
Title
Address
Tax Identification Number: _____

By _____
Name
Title

**APPROVED AS TO FORM:
JOHN F. KRATTLI, COUNTY COUNSEL**

By _____
Lawrence Green, Deputy County Counsel

FIRM-FIXED FEE PROVIDER BUDGET - Attachment B-1

Pg. 1 of 1

PROJECT NAME: **GR PHYSICAL HEALTH DISABILITY ASSESSMENT SERVICES AND COMPREHENSIVE PHYSICAL HEALTH DISABILITY EVALUATION SERVICES**

CONTRACTOR: _____ CONTRACT NUMBER: _____

DPSS SERVICE OFFICE: _____ CONTACT PERSON: _____

CONTRACT PERIOD: **MAY 13, 2011 THROUGH JANUARY 31, 2014** TELEPHONE NUMBER: _____

LIST TYPE(S) OF SERVICE:	ESTIMATED # OF PARTICIPANTS (Caseload)	COST PER PARTICIPANT	TOTAL COST
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A

B

C=B*A

MAY 13, 2011 - JUNE 30, 2011

1	GR Physical Health Disability Assessment Services	A	\$ 90.00	C
2	GR Comprehensive Physical Health Disability Evaluation Services	A	\$ 300.00	C
Total Direct Services Cost				\$ -

JULY 1, 2011 - JUNE 30, 2012 - Projected

1	GR Physical Health Disability Assessment Services	A	\$ 90.00	C
2	GR Comprehensive Physical Health Disability Evaluation Services	A	\$ 300.00	C
Projected - Total Direct Services Cost				\$ -

JULY 1, 2012 - AUGUST 31, 2012 - Projected

1	GR Physical Health Disability Assessment Services	A	\$ 90.00	C
2	GR Comprehensive Physical Health Disability Evaluation Services	A	\$ 300.00	C
Projected - Total Direct Services Cost				\$ -

SEPTEMBER 1, 2012 - NOVEMBER 30, 2012 - Projected

1	GR Physical Health Disability Assessment Services	A	\$ 90.00	C
2	GR Comprehensive Physical Health Disability Evaluation Services	A	\$ 300.00	C
Projected - Total Direct Services Cost				\$ -

DECEMBER 1, 2012 - JUNE 30, 2013 - Projected

1	GR Physical Health Disability Assessment Services	A	\$ 90.00	C
2	GR Comprehensive Physical Health Disability Evaluation Services	A	\$ 300.00	C
Projected - Total Direct Services Cost				\$ -

JULY 1, 2013 - JANUARY 31, 2014 - Projected

1	GR Physical Health Disability Assessment Services	A	\$ 90.00	C
2	GR Comprehensive Physical Health Disability Evaluation Services	A	\$ 300.00	C
Projected - Total Direct Services Cost				\$ -